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# Energy Efficiency Program Proposal

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## ThermWise<sup>®</sup> Builder Rebates Program

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# Program Overview

## Description

Questar Gas Company (Questar Gas) is proposing to continue the ThermWise® Builder Rebates program. The program will be delivered to the market and administered by Questar Gas. The program will be available to residential builders in the Questar Gas Utah service territory and include rebates for installing natural gas energy-efficiency measures in newly constructed single and multifamily residences receiving service on the GS rate schedule. Rebates under the program will be paid directly to the home builder or owner-builder (builder) or as indicated on the application form for energy efficient construction. Rebates will be paid for installing specific energy-efficient natural gas measures, including high efficiency natural gas space heating and water heating appliances or solar assisted gas water heating systems. A credit will also be available to builders who install qualifying equipment as defined in Section 2.11 of the Questar Gas Company Utah Tariff (QGC Energy Efficiency Exhibit 1.10).

The program is designed to leverage marketing and delivery directly to Utah home builders through a combination of Questar Gas staff and program implementation staff. Development, implementation, training, support, and administration will be provided by Questar Gas. All Questar Gas rebates will be available directly to builders upon completion of program requirements.

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# Program Design

## Program Measures

### Qualifying Customers

Separately metered single family or multifamily newly constructed residences, in Questar Gas' Utah service territory and billed on the GS rate schedule are eligible to participate in the ThermWise® Builder Rebates program.

### Qualified Energy Efficiency Measures

For a complete list of minimum efficiency requirements and rebate amounts, see section 2.11 of the Questar Gas Company Utah Tariff (QGC Energy Efficiency Exhibit 1.10).

### ENERGY STAR® Version 3.0

Builders may receive rebates for building a dwelling unit that qualifies under ENERGY STAR® Version 3. Field verification and ENERGY STAR® Version 3 compliance certificate by Home Energy Rater (HERS) will be required before ENERGY STAR® Version 3 rebate will be paid. To be eligible homes must include qualified gas space heating and water heating.

### High Performance Home

Builders may receive rebates for building a high performance home. To qualify a dwelling must meet or exceed ENERGY STAR® Version 3 and the home must also meet or exceed a HERS score of 50. Field verification, an ENERGY STAR® certificate and documentation verifying the home has met the high performance home requirements will be required from rater before high performance home rebate will be paid. To be eligible homes must include qualified gas space heating and water heating.

### ThermWise® 10% Better Than Code Home

Builders may receive a rebate for a home which exceeds the current building code by at least 10%. The home must be certified by a Rater in order for the builder to be eligible for a rebate. Additionally, the Rater must also complete both a whole home air leakage test and duct tightness test on all ducts. The results of both tests must meet or exceed the limits set forth in the current code.

### Gas Furnaces

Builders may receive a rebate for installing a high-efficiency natural gas furnace. Eligibility requirements are as follows:

- The builder must purchase and install a model with an AFUE Rating of  $\geq 92\% < 95\%$ .
- The builder must purchase and install a model with an AFUE Rating of  $\geq 95\% < 97.5\%$ .
- The builder must purchase and install a model with an AFUE Rating of  $\geq 95\% < 97.5\%$  with Electronically Commutated Motor (ECM).
- The builder must purchase and install a model with an AFUE Rating of  $\geq 97.5\%$  with ECM.

### Gas Storage Water Heaters

Builders may receive a rebate for installing a high-efficiency natural gas storage water heater. Eligibility requirements are as follows:

- The builder must purchase and install a model with an energy factor (EF)  $\geq .62 < .67$ .
- The builder must purchase and install a model with an EF  $\geq .67$ . Qualifying water heaters will have a minimum of 40 gallons in capacity.

### Tankless Gas Water Heater

Builders may receive a rebate for installing a high-efficiency tankless natural gas water heater. Eligibility requirements are as follows:

- The builder must purchase and install a model with an EF  $\geq .82 < .90$ .
- The builder must purchase and install a model with an EF  $> .90$ .

### Condensing Storage Gas Water Heater

Builders may receive a rebate for installing a high-efficiency condensing natural gas storage water heater. To be eligible for a rebate, the builder must purchase and install a model with an EF of  $\geq .90$  or Thermal Efficiency (TE) of  $\geq 90\%$ .

### Hybrid Gas Water Heater

Builders may receive a rebate for installing a high efficiency hybrid natural gas storage water heater. To be eligible for a rebate, the builder must purchase and install a qualified model with an EF of  $\geq .90$  or TE of  $\geq 90\%$ .

### Gas Boilers

Builders may receive a rebate for installing a high-efficiency natural gas boiler. Eligibility requirements are as follows:

- The builder must purchase and install a model with an AFUE Rating of  $\geq 85\% < 95\%$ .
- The builder must purchase and install a model with an AFUE Rating of  $\geq 95$ .

### Solar Assisted Gas Water Heating (domestic)

Builders may receive a rebate for installing solar assisted domestic natural gas water heating system, certified OG-300 by the Solar Rating and Certification Corporation (SRCC).

### Solar Assisted Gas Water Heating (pool)

Builders may receive a rebate for installing solar assisted pool natural gas water heating system, certified OG-100 by the Solar Rating and Certification Corporation (SRCC).

### 2x6 Walls

Builders may receive rebates for installing an IECC 2 x 6 R-20 or code equivalent exterior walls. To be eligible, builder must certify the installation of qualifying products.

### Windows - U-value $\leq 0.22$

Builders may receive rebates for installing a window with a U-value  $\leq 0.22$  . To be eligible, builder must purchase and install qualified windows.

### Smart Thermostat

Customers may receive a rebate for installing a smart thermostat. Eligibility requirements are defined as follows:

- Programmable
- Wi-fi enabled
- Online dashboard and/or mobile device app
- Occupancy sensor

A list of manufacturers and rebate-qualifying models is available at [www.ThermWise.com](http://www.ThermWise.com).

## Program Rebates, Projected Participation and Savings

A completed rebate application must be submitted within 6 months of the initiation of gas service for the subject dwelling units to be eligible to receive a rebate. Builders may elect to receive either a rebate check or a rebate credit for installing furnaces or 2x6 walls which meet the minimum efficiency qualifications listed. A rebate credit will be applied against the Company assessed meter charge and service line contributions. In the case where the rebate credit exceeds the meter and service line contribution charges, a rebate check will be issued to the Builder for the overage. A rebate check will be an option for all other measures and for those builders not participating in the credit option. Rebates will be sent to the Builder contact listed on the builder participation agreement.

**Table 1. Builder Projected Participation and Savings**

| Single Family (1-4 units)               |                         |                                      |
|---|-------------------------|--------------------------------------|
| Measure                                 | Projected Participation | Total Projected Savings (annual Dth) |
| Energy Star 3.0                         | 305                     | 5,704                                |
| High Performance Home                   | 86                      | 2,692                                |
| Natural Gas Furnace 92% AFUE            | 519                     | 4,920                                |
| Natural Gas Furnace 95% AFUE            | 3,120                   | 34,944                               |
| Natural Gas Furnace with ECM 95% AFUE   | 736                     | 8,243                                |
| Natural Gas Furnace with ECM 97.5% AFUE | 5                       | 61                                   |
| Storage Water Heater .62 EF             | 1,764                   | 3,016                                |
| Storage Water Heater .67 EF             | 300                     | 1,188                                |
| Tankless Water Heater .82 EF            | 5                       | 44                                   |
| Tankless Water Heater .90 EF            | 200                     | 1,920                                |
| Condensing Storage Water Heater .90 EF  | 5                       | 46                                   |
| Hybrid Water Heater .90 EF              | 10                      | 102                                  |
| Natural Gas Boiler 85% AFUE             | 10                      | 121                                  |
| Natural Gas Boiler 95% AFUE             | 15                      | 242                                  |
| Solar Assisted Water Heater SRCC OG-300 | 5                       | 88                                   |
| Solar Assisted Pool Heater SRCC OG-100  | 5                       | 345                                  |
| 2X6 R-20 Walls                          | 1,340                   | 17,152                               |
| Windows – U-Value <sub>≤</sub> 0.22     | 20                      | 116                                  |
| Smart Thermostat                        | 162                     | 697                                  |
| ThermWise 10% better than code          | 270                     | 3,591                                |
| <b>TOTAL Single Family</b>              | <b>8,882</b>            | <b>85,231</b>                        |
| Multifamily (5 or more units)           |                         |                                      |

| Measure                                 | Projected Participation | Total Projected Savings (annual Dth) |
|---|-------------------------|--------------------------------------|
| Energy Star 3.0                         | 72                      | 641                                  |
| High Performance Home                   | 14                      | 176                                  |
| Natural Gas Furnace 92% AFUE            | 283                     | 1,585                                |
| Natural Gas Furnace 95% AFUE            | 241                     | 1,567                                |
| Natural Gas Furnace with ECM 95% AFUE   | 38                      | 247                                  |
| Natural Gas Furnace with ECM 97.5% AFUE | 5                       | 35                                   |
| Storage Water Heater .62 EF             | 35                      | 49                                   |
| Storage Water Heater .67 EF             | 100                     | 210                                  |
| Tankless Water Heater .82 EF            | 5                       | 5                                    |
| Tankless Water Heater .90 EF            | 75                      | 120                                  |
| Condensing Storage Water Heater .90 EF  | 5                       | 31                                   |
| Hybrid Water Heater .90 EF              | 5                       | 31                                   |
| Natural Gas Boiler 85% AFUE             | 5                       | 60                                   |
| Natural Gas Boiler 95% AFUE             | 5                       | 81                                   |
| Solar Assisted Water Heater SRCC OG-300 | 5                       | 88                                   |
| Solar Assisted Pool Heater SRCC OG-100  | 5                       | 345                                  |
| 2X6 R-20 Walls                          | 396                     | 1,584                                |
| Windows – U-Value $\leq$ 0.22           | 5                       | 21                                   |
| Smart Thermostat                        | 18                      | 30                                   |
| ThermWise 10% better than code          | 25                      | 201                                  |
| <b>TOTAL Multifamily</b>                | <b>1,337</b>            | <b>7,106</b>                         |
| <b>TOTAL Builder Program</b>            | <b>10,224</b>           | <b>92,337</b>                        |

## Rebate Limitations

ThermWise® Builder Rebate program limitations are defined in Section 2.11 of the Questar Gas Company Utah Tariff (QGC Energy Efficiency Exhibit 1.10).

## Implementation

This program is currently in the marketplace. Upon Commission approval, implementation activities will begin for the new program year in order to launch January 1, 2015

## Administration

The program administration represents the on-going delivery of the program. All internal systems, processes and procedures have been created and are in place.